IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No.169 of 2001
with
COMPANY PETITION No.170 of 2001

For Approval and Signature:

Hon'ble MR.JUSTICE D.A.MEHTA

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1. Whether Reporters of Local Papers may be allowed to see the judgements? : NO

2. To be referred to the Reporter or not? : NO

3. Whether Their Lordships wish to see the fair copy of the judgement? : NO

4. Whether this case involves a substantial question of law as to the interpretation of the Constitution of India, 1950 of any Order made thereunder? : NO

5. Whether it is to be circulated to the Civil Judge? : NO

ANUPRA CHEMICALS PVT. LTD. &
ANUDEEP ENTERPRISES PVT. LTD.

Versus

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Appearance:
MRS SWATI SOPARKAR for Petitioner No. 1
..... for Respondent No. 1

CORAM : MR.JUSTICE D.A.MEHTA
Date of decision: 15/04/2002

COMMON ORAL JUDGEMENT

1. These are the petitions filed by two different petitioner - Companies for sanction of a Scheme of amalgamation of Anupra Chemicals Private Limited (the Transferor Company) with Anudeep Enterprises Private Limited (the Transferee Company) under Section 391 read with Section 394 of the Companies Act,1956.

2. The Transferor Company is a Private Limited

Company which was originally promoted for the business of manufacturing of garments and textile auxiliaries. It had undertaken trading activities for garments and chemicals. Due to the recession in the Textile Industry it stopped manufacturing activities and carried on only trading activities. It is a wholly owned subsidiary of the Transferee Company. Similarly the Transferee Company was also originally promoted to undertake manufacturing of chemicals and textile auxiliaries. However, at present, this also carries on only the trading activities. It is a closely held Private Limited Company. The amalgamation is proposed for the synergic advantages. The petitions give details of the advantages that would flow by virtue of the amalgamation of these companies.

3. The meetings of the shareholders of both the companies and the creditors of the Transferor Company were dispensed with in view of the consent letters from all the shareholders and the unsecured creditors (there being no secured creditors) approving the scheme having been put on record.

4. After the petitions were admitted, the same were duly advertised in the newspapers and the publication in the Government Gazette was dispensed with as directed in the order dated 07-09-2001. No one has come forward with any objections to the said petition even after the publication.

5. Notice of the petition of the Transferor Company was served upon the Official Liquidator attached to Gujarat High Court. The report dated 5th April, 2002 filed by the Official Liquidator confirms that the affairs of the Company have not been conducted in a manner prejudicial to the interest of its members or to the public interest.

6. Notice of the petition has been served upon the Central Government and Smt.P.J.Davawala, Additional Standing Counsel appears for the Central Government. Smt.Davawala has informed the Court and put on record the letter from the Registrar of Companies of Gujarat dated 26th March, 2002 indicating that the Central Government has decided to leave the petitions to be decided on merits subject to their observation pertaining to the latest financial position. Considering this, the petitioner - Companies have by additional affidavits dated 13th March, 2002 placed the latest provisional balance-sheets of both the companies as on 31-03-2001 on record. There are no other objections raised by anybody.

In view of this, there is no reason to withhold the sanction to the Scheme of Amalgamation.

7. I have heard Smt.Swati Saurabh Soparkar, learned Advocate for the petitioner - Companies. Having gone through the petitions, I am satisfied that amalgamation would be in the interest of the companies and their members and creditors. Prayers in terms of paragraph 17(a) (in Company Petition No.169 of 2001) and 15(a) (in Company Petition No.170 of 2001) are hereby granted i.e. to the effect that the Scheme of Amalgamation (Annexure-"C") is sanctioned so as to be binding on the petitioner Companies, on all equity shareholders and all creditors of the petitioner Companies.

8. The petitions are disposed of accordingly. So far as the costs to be paid to the Central Government Standing Counsel is concerned, I quantify the same at Rs.3,500/- per petition. The same may be paid to the learned Advocate Smt.P.J.Davawala for the Transferor Company and Shri D.N.Patel for the Transferee Company.

(D.A.Mehta,J)

'Bhavesh'